

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

INTERNATIONAL SHIPHOLDING
CORPORATION, *et al.*,¹

Debtors.

)
)
) Chapter 11
)

) Case No. 16-12220 (SMB)
)

) Jointly Administered
)
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**NOTICE OF SUCCESSFUL AND BACKUP BIDDERS WITH
RESPECT TO THE AUCTION OF THE DEBTORS' ASSETS**

PLEASE TAKE NOTICE that, on November 18, 2016, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered an order [ECF No. 367] (the “Bidding Procedures Order”): (i) approving proposed bidding procedures (the “Bidding Procedures”) by which the Debtors will solicit and select the highest or otherwise best offer for the sale of certain assets contained in the Debtors Specialty Business Segment (the “Assets”) through a sale of the Assets (the “Sale Transaction”); (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases, including notice of proposed cure amounts (the “Assumption and Assignment Procedures”); (iii) approving the form and manner of notice with respect to certain procedures, protections, schedules, and agreements described herein and attached hereto; (iv) scheduling (a) an auction (the “Auction”) if the Debtors receive two or more timely and acceptable Qualified Bids (as defined below) and (b) a final hearing (the “Sale Hearing”) to approve one or more Sales of the Assets; and (v) granting related relief.

PLEASE TAKE FURTHER NOTICE that, on December 15, 2016 at 12:15 p.m. (prevailing Eastern Time), pursuant to the Bidding Procedures Order, the Debtors conducted the Auction with respect to certain of the Assets.

PLEASE TAKE FURTHER NOTICE that, at the conclusion of the Auction, the Debtors, in consultation with their professionals and the Bid Consultation Parties, selected the following Successful Bidder and Back-Up Bidder with respect to the Assets:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: International Shipholding Corporation (9662); Enterprise Ship Co. (9059); Sulphur Carriers, Inc. (8965); Central Gulf Lines, Inc. (8979); Coastal Carriers, Inc. (6278); Waterman Steamship Corporation (0640); N.W. Johnsen & Co., Inc. (8006); LMS Shipmanagement, Inc. (0660); U.S. United Ocean Services, LLC (1160); Mary Ann Hudson, LLC (8478); Sheila McDevitt, LLC (8380); Tower LLC (6755); Frascati Shops, Inc. (7875); Gulf South Shipping PTE LTD (8628); LCI Shipholdings, Inc. (8094); Dry Bulk Australia LTD (5383); Dry Bulk Americas LTD (6494); and Marco Shipping Company PTE LTD (4570). The service address for each of the above Debtors is 601 Poydras Street, Pan American Building, Suite 1850, New Orleans, Louisiana 70130.

Asset(s)	Successful Bidder	Purchase Price	Back-Up Bidder	Back-up Bid
Assets	J Line Corporation	\$24,500,000.00	Hemisphere Logistics LLC	\$24,000,000.00

PLEASE TAKE FURTHER NOTICE that the Sale Hearing to consider approval of the sale of the Assets to the Successful Bidder at the Auction, free and clear of all liens, claims, interests, and encumbrances in accordance with Bankruptcy Code section 363(f), will be held before the Honorable Stuart M. Bernstein, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Customs House, One Bowling Green, New York, New York 10004, Courtroom 723 on December 20, 2016 at 10:00 a.m. (prevailing Eastern Time). The Sale Hearing may be adjourned or rescheduled without notice.

PLEASE TAKE FURTHER NOTICE that, at the Sale Hearing, the Debtors will seek Bankruptcy Court approval of the Successful Bid and the Back-Up Bid (if any). Unless the Bankruptcy Court orders otherwise, the Sale Hearing shall be an evidentiary hearing on matters relating to the Sale Transaction and there will be no further bidding at the Sale Hearing. In the event that the Successful Bidder cannot or refuses to consummate the Sale because of the breach or failure on the part of the Successful Bidder, the Back-Up Bidder will be deemed the new Successful Bidder and the Debtors shall be authorized, but not required, to close with the Back-Up Bidder on the Back-Up Bid without further order of the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE that this Notice of Successful and Backup Bidders is subject to the terms and conditions of the Motion and the Bidding Procedures Order, with such Bidding Procedures Order controlling in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of the Assets and/or copies of any related document, including the Motion or the Bidding Procedures Order, may make a written request to: counsel for the Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: David Botter, Esq., Email: dbotter@akingump.com, and 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201, Attn: Sarah Link Schultz, Esq., Email: sschultz@akingump.com. In addition, copies of the Motion, the Bidding Procedures Order and this Notice may be examined by interested parties (i) free of charge at the website established for these chapter 11 cases by the Debtors' Court approved claims agent, Prime Clerk LLC, at <https://cases.primeclerk.com/ish/> or (ii) on the Court's electronic docket for the Debtors' chapter 11 cases, which is posted on the Internet at <https://ecf.nysb.uscourts.gov/> (a PACER login and password are required and can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov).

Dated: New York, New York
December 16, 2016

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